



HOME American Rescue Plan
Non-Congregate Shelter Development Program
Phase I Preliminary Project Assessment

Deadline:
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Mario Higgins,
Director, Community Development Grants Administration

200 E. Wells St., Room 606
Milwaukee, Wisconsin 53202
(414) 286-2276
cdgareports@milwaukee.gov

Table of Contents

BACKGROUND3

NON-CONGREGATE SHELTER3

PRELIMINARY PROJECT ASSESSMENT4

PPA UPLOAD INSTRUCTIONS4

UPLOADING THE PPA4

PPA REQUIRED ATTACHMENTS5

PRELIMINARY PROJECT ASSESSMENT TIMELINE5

DESCRIPTION AND FUND REQUEST5

NCS MINIMUM & RESTRICTED USE AFFORDABILITY PERIODS6

SITE INFORMATION6

DEVELOPMENT TEAM6

QUALIFYING POPULATIONS7

SERVICES OFFERED & OPERATIONS8

SOURCES AND USES8

CONVERSION PLAN9

PRELIMINARY PROJECT ASSESSMENT OUTCOMES9

PRELIMINARY PROJECT ASSESSMENT NOTFICATION & APPLICATION INVITATION9

BACKGROUND

On March 11, 2021, President Biden signed the American Rescue Plan (ARP) into law, which provides over \$1.9 trillion in relief to address the continued impact of the COVID-19 pandemic on the economy, public health, State and local governments, individuals, and businesses.

To address the need for homelessness assistance, Congress appropriated \$5 billion in ARP funds to be administered through the HOME Program to perform four activities that must primarily benefit qualifying individuals and families who are homeless, at risk of homelessness, or in other vulnerable populations. These activities include: (1) development of affordable rental housing, (2) tenant-based rental assistance (TBRA), (3) provision of supportive services; and (4) acquisition and development of non-congregate shelter units. The program described in this notice for the use of the \$5 billion in ARP funds is the HOME-American Rescue Plan or “HOME-ARP”.

In FY 2021, the American Rescue Plan (ARP) Act included an allocation of \$20,309,464 to the City of Milwaukee, through the HOME Investment Partnerships Program, administered by the U.S. Department of Housing and Urban Development (HUD). The allocation amount for *Non-Congregate Shelter Housing* is \$6,077,366. This funding will allow the City of Milwaukee to make significant, targeted investments in permanent supportive housing and assist people experiencing homelessness, those at risk of homelessness, and those at the greatest risk of housing instability.

The HOME-ARP Non-Congregate Shelter Acquisition and Rehabilitation Program (referred to as NCS throughout this document) is accepting Preliminary Project Assessments submissions from eligible organizations to construct, rehabilitate, and/or acquire structures for the purposes of providing temporary shelter to individuals experiencing homelessness. This is a Phase I funding opportunity to propose the creation and/or expansion of homeless services in a non-congregate setting. Through a competitive funding process, the City of Milwaukee’s Community Development Grants Administration (CDGA) has funds available to fund projects. This is a COST REIMBURSEMENT GRANT. Funds, if awarded, must be spent within two (2) years of the effective grant date.

NON-CONGREGATE SHELTER

Non-Congregate Shelter (NCS) is a form of emergency temporary shelter that also serves multiple households, both individuals or families, designed to provide private rooms or units, with a private bathroom and shared kitchen, and does not require occupants to sign a lease or occupancy agreement. Every unit **MUST** have four (4) walls, its own bathroom with a shower and or tub with appropriate ventilation of the bathroom, and smoke and carbon monoxide detectors. Additionally, all NCS units **MUST** have a private door that can be locked for the household’s privacy and safety.

NCS units should be in areas where amenities are easily accessible to clients including public transportation, grocery, retail, medical facilities, schools, or social service offices. NCS occupants are not required to sign a lease or occupancy agreement or pay occupancy fees.

PRELIMINARY PROJECT ASSESSMENT

When applying for Community Development Grants Administration (“CDGA”) resources, the first required step, or Phase I, for all Non-Congregate Shelter Projects is completing a Preliminary Project Assessment (“PPA”). All Projects seeking funding under this Request for Funding Proposal (“RFP”) must complete the PPA process prior to submitting an application.

PPAs must provide information for one unique Project. Applicants considering multiple Projects or Project scenarios must submit separate PPAs for each Project and/or scenario. However, each Project/Project scenario may be submitted under multiple CDGA HOME-ARP funding programs, specifically “*Supportive Services*.” PPAs must contain all applicable resources and funding sources for Project long-term feasibility.

Required PPA documentation includes information related to Project *concept, location, financing assumptions, and development team*. PPAs will be evaluated based on the five components mentioned above. CDGA Website PPA materials contain all required forms and additional information relevant for both completion and submission of the PPA.

PPA UPLOAD INSTRUCTIONS

Submission of a PPA does not guarantee application invitation for the CDGA HOME ARP Non-Congregate Shelter Program. For all awarded Projects financed by HOME ARP leveraging funds must be secured, or have a high likelihood of being secured, to complement other sources of financing and to close funding gaps. HOME ARP dollars **may not** be used as the sole source of funding.

All PPAs will be submitted electronically. Electronic PPAs should be sent to CDGAreports@milwaukee.gov. All PPAs received after the closing date noted above **will not** be reviewed.

UPLOADING THE PPA

- All documents must be in PDF format.
- Files must be named with the coordinating document being uploaded:
 - (Examples: PPA, Source & Uses Budget, MOU...)
- Once the applicant information is completed, click Submit.
- After submitting, check the submitted email for one reply email; this will direct the recipient to a link to upload the attachments.
- An outline of how to name the attachments will be available in the one reply email.
- Attachments must be submitted in the format outlined. Incomplete PPA submissions will not be reviewed. All submissions are considered public information and are subject to discovery under the Freedom of Information Act (FOIA).
- **Please email any questions to CDGAreports@milwaukee.gov with the subject line, “HOME-ARP NCS Questions”.**

PPA REQUIRED ATTACHMENTS

Attach all required supporting documentation as requested in the Preliminary Project Assessment. Do not submit materials other than those specifically requested. Complete submission of the PPA(s) includes:

- Preliminary Project Assessment
- IRS Certification 501c3
- Continuum of Care (CoC) Membership
- MOU as Collaborator with CoC
- Project Site Aerial Photos
- Project Schedule
- Sources and Uses Budget

PRELIMINARY PROJECT ASSESSMENT TIMELINE

Date	Action	PPA Action Required
January 12, 2026	CDGA publish public notice NCS Application availability	
January 12, 2026	Non-Congregate Shelter RFP published on CDGA Website	
January 26, 2026	Non-Congregate Shelter PPA Informational Webinar	YES
January 26, 2026	First day to submit Preliminary Project Proposal (PPA)	YES
February 23, 2026	Preliminary Project Proposal (PPA) deadline (5:00 p.m. CST)	YES
March 23, 2026	PPA Outcome Notification & NCS Application Invitation	YES

DESCRIPTION AND FUND REQUEST

PPAs will describe, in narrative form, limited to 750 characters for each response on the PPA form, the proposed development by project type, site information, all partners in the development team, HOME ARP Qualifying Populations (QPs) to be served, what specific services will be offered to the QPs, leveraging funding through sources and uses, a NCS operations plan, and the intention to convert the NCS concluding the restricted use period. Projects are limited to the following types according to the Federal HOME ARP Program:

Acquisition Only – A project proposal that outlines costs related to purchasing improved or unimproved real land for the purposes of NCS. This option does not include any costs for rehabilitation or construction.

Rehabilitation and/or Construction Only – A project proposal that outlines costs related to rehabilitation of an existing structure owned by the applicant; and/or building on a vacant property; and/or expanding an existing structure. A project proposal under this definition would not be utilizing any funds for acquisition.

Acquisition with Rehabilitation and/or Construction – A project proposal that outlines costs related to both the purchase and rehabilitation and/or construction of vacant land or improved parcels (properties with existing structure(s) and/or utilities).

NCS MINIMUM & RESTRICTED USE AFFORDABILITY PERIODS

Project Type	Minimum Use Period	Restricted Use Period
Acquisition Only	3 Years	10 Years
Moderate Rehab	5 years if Total Investment <75% Appraised Value	10 Years
Substantial Rehab	10 years if Total Investment >75% Appraised Value	10 years
New Construction	10 years	15 years

SITE INFORMATION

The proposed site information must include where the project is located (physical address) including the project type and breakdown of units. Site information should also include photos, the year originally constructed, if the project will involve substantial or moderate rehabilitation depending on existing site conditions. If rehabilitated, when the last capitalized improvements were made by year, which include (e.g., roof replacement, HVAC upgrade, or accessibility enhancements). All relevant site

If the project is new construction, the project narrative should include the development of building, sustainability features, and total square footage. Site improvements information will include infrastructure components, parking, utility upgrades or landscaping. Additionally, if historic preservation is a component of this development include information about historic status and planned preservation measures and processes. The anticipated project schedule should declare specific tasks, duration of tasks, task dependencies, milestones, resource assignments and end dates. All projects including acquisition, rehabilitation and construction must include a project schedule available as a PPA attachment on the CDGA website.

DEVELOPMENT TEAM

Developmental team members should consist of developers and services providers who both have evidence, through projects and supportive services, providing vulnerable populations facing housing instability options such as - emergency housing, in-place housing stability, permanent supportive housing and overall responsiveness to persons experiencing or may experience homelessness.

Developers should...

- Be a developer who has or will establish partnerships with the Continuum of Care, Local Planning Body (LPB), local unit of government, homeless service provider, or Tribal Community/Tribal Council to facilitate operations.
- Be able to provide commitment letters, MOUs, or capital reserves to address any funding gap in NCS funding and project costs.
- Agree to HUD defined emergency shelter policies and practices including, but not limited to the [minimum habitability standards](#).
- Provide CDGA a project timeline of all projects requesting funding through the City of Milwaukee HOME-ARP Program.
- Conversion declaration plan of the NCS concluding the restricted use period – if applicable.

Service Providers Should...

- Be a 501(c)3 nonprofit entity operating its principal place of business in the City of Milwaukee who has experience providing homelessness services assistance or similar activities with a minimum of 5-year experience.
- Have continual experience in management of a year-round shelter, and/or Permanent Supportive Housing a minimum of 5-years (2019-2024).
- Indicate experience with contractors and building projects.
- Be an active participant in HMIS or commitment to establish and participate in HMIS.
- Participate or commitment to participate in the Coordinated Entry System.

QUALIFYING POPULATIONS

Under HOME ARP, non-congregate shelter must service the following qualifying populations as defined by 24 CFR 91.5:

Homeless:

- An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
- An individual or family living in a supervised publicly or privately-operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or
- An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

At-risk of Homelessness:

- An individual or family who will imminently lose their primary nighttime residence;
- The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
- No subsequent residence has been identified; and

Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking:

- Violence has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
- Individual has no other residence; and

Other Populations (Other Families Requiring Services or Housing Assistance to Prevent Homelessness and Households at Greatest Risk of Instability):

- Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition

SERVICES OFFERED & OPERATIONS

HOME ARP Non-Congregate Shelter supportive services and operations and are *not eligible* expenses within NCS funding. Non-congregate shelter project PPA's should outline a plan including all funding streams identifying long-term financial feasibility and sustainability of the project. Operations of a NCS project would include cost for administrative expenses, property management fees, insurances, utilities property taxes, and maintenance of a unit designed to assist HOME-ARP assisted units, which are all non-permissible costs under Non-Congregate Shelter funding. NCS projects must ensure no loss of current operational shelter beds or units of homeless qualifying populations under the HOME-ARP Program.

Services provided will include, within the sources and uses budget template, how the project will specifically connect with local homeless services, the crisis response system, social service providers, tenant services and other partnerships. The PPA shall identify the QP to be served and the prioritization method. All projects either acquisition, rehabilitation, or new construction must be able to demonstrate operational capacity to provide supportive services of the NCS population(s) during and following the minimum use period. Applicants are encouraged to apply for Supportive Services funding available through the City of Milwaukee HOME-ARP Allocation Plan.

SOURCES & USES

Non-congregate shelter projects involving acquisition, rehabilitation, or new construction must include a detailed sources and uses budget. The sources and uses budget template is available as a PPA attachment on the CDGA website. In addition, the construction narrative should outline all cost components, including land, building, holding costs, hard and soft costs, construction contingency, and reserves.

For related-party transactions, the budget must disclose the distribution of cash proceeds. Rehabilitation projects must detail the costs for immediate or critical repairs. Operational budgets should include sources and uses for salaries, administrative and maintenance expenses, utilities, insurance, real estate taxes, and reserves.

CONVERSION PLAN

All NCS (Non-Congregate Shelter) project proposals must state whether there is an intention to convert the NCS units after the required minimum use period, although such conversion is not mandatory. Acceptable options for the use of units following this period include remaining as HOME-ARP NCS as originally developed or being converted into permanent affordable housing.

Plans should include the type of conversion, funding of the conversion, property and habitability standards that align with the U.S. Department of Housing & Urban Development (HUD) affordable housing funding streams. However, HOME-ARP NCS funds cannot be used for the acquisition or demolition of properties currently functioning as emergency shelters, nor can they be used for conversion activities after the minimum use period.

PRELIMINARY PROJECT ASSESSMENT OUTCOMES

Possible Preliminary Project Assessment (PPA) Non-Congregate Shelter Evaluation Outcomes		
PPA Evaluation Outcome	PPA Category	Overall PPA Outcomes
Approval	The PPA category is approved, criteria are satisfied.	The PPA is approved, and full application is accepted by CDGA.
Conditional Approval	The PPA category is conditionally approved, as project criteria is not fully satisfied and subject to conditions.	The PPA is approved subject to conditions being met within any of the categories set forth by CDGA.
Denial	The PPA category is denied, as project criteria is not satisfied.	The PPA is denied, and an application will not be accepted by CDGA.

PRELIMINARY PROJECT ASSESSMENT NOTIFICATION & APPLICATION INVITATION

Only approved or conditionally approved PPAs will be formally invited to complete the CDGA HOME-ARP NCS application. All Preliminary Project Assessments received after the closing date according to the Preliminary Project Proposal Timeline will not be reviewed.

Application invitations will be sent in writing to PPA leads. In addition, applications will be submitted electronically through CDGAreports@milwaukee.gov. No hardcopy applications or supporting documentation will be accepted for the HOME-ARP Non-Congregate Shelter Program.